

UNITED STATES OF AMERICA



FEDERAL TRADE COMMISSION Washington, DC 20580

DEPARTMENT OF JUSTICE Washington, DC 20530

April 25, 2006

Dear General Márquez:

Like you, the Federal Trade Commission and the United States Department of Justice ("the Agencies") are very concerned about the adverse consumer impact of the increasing prices for gasoline and other refined petroleum products. Consumers around the nation have expressed concerns about what they have perceived as anticompetitive or otherwise unfair conduct by the world's major oil companies. Given the importance of energy to Americans' everyday lives and to the American economy, we have substantially increased our efforts at the federal level to monitor, detect, pursue, and prevent any violations of the law in this industry.

As you know, the Agencies have focused on these concerns at the national level for many years. The FTC and its staff have developed expertise in the petroleum industry through years of investigation, enforcement, and research. Most recently, Congress has turned to the Commission to investigate whether businesses have manipulated gasoline markets and prices to the detriment of consumers, pursuant to section 1809 of the Energy Policy Act of 2005, and to analyze gasoline prices in the aftermath of Hurricane Katrina, pursuant to section 632 of the Science, State, Justice, Commerce, and Related Agencies Appropriations Act of 2006. At the heart of these investigations is a review of any possible anticompetitive behavior, and the Commission staff is working to produce a final report to the Congress on these investigations by May 19, 2006. Moreover, the Department of Justice is focused on detecting and prosecuting criminal anticompetitive conduct, especially price-fixing behavior.

State and local governments, of course, are particularly close to local market conditions. We urge you to work with us and, with respect to your local markets, to enforce vigorously the laws of your State against any anticompetitive, anticonsumer conduct in the petroleum industry. Working together, the federal government and the States can ensure that we address swiftly and appropriately any unlawful conduct resulting in artificial price spikes. We stand ready to investigate and prosecute any violations of the federal antitrust laws that are revealed during the course of your State's law enforcement investigations.

We appreciate your efforts to protect consumers in petroleum markets, and we look forward to working with you in this important endeavor.

Sincerely yours,

Alberto Gonzales Attorney General

Olbouk P. Majoras

Deborah Platt Majoras

Chairman